NEWS From:

Congressman Mike Honda

FIFTEENTH DISTRICT - CALIFORNIA



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CONGRESSMAN MIKE HONDA VOTES TO ELIMINATE MARRIAGE TAX PENALTY

- Rejects Republican alternative as too costly and too late -

Washington, DC – Today, Congressman Mike Honda (D-San Jose) voted to eliminate the so-called marriage tax penalty that unfairly targets married couples who file their taxes jointly. Honda supported the version of marriage tax relief offered by Congressman Charles Rangel of New York because Mr. Rangel's bill provides substantial tax relief to working families sooner than the alternative marriage tax bill.

"I campaigned on a promise to eliminate this unfair tax," said Congressman Honda. "It was extremely gratifying today to follow through on that promise. No married couple should be penalized for being married. The bill I voted for today will allow married people to file jointly and still get the tax relief that they deserve."

The amendment Honda voted for today will increase the standard deduction for married couples to twice the amount for single people beginning in 2002. It will also create a new 12% tax bracket for the first \$20,000 of taxable income for married couples and \$10,000 for single people. This new bracket would be phased in beginning in 2001 and become fully effective in 2003. In total, the amendment Honda voted for provides \$585 billion in tax relief for families over 10 years.

Congressman Honda voted against an alternative bill to eliminate the marriage tax penalty today because he felt that the bill was too costly and took too long to phase in. Many of the benefits in the alternative do not fully take effect until 2009.

"If our economy needs an immediate jump start, then we ought to provide immediate tax relief to the people who need it most," added Honda. "We shouldn't have to wait for it and we shouldn't give it to people who don't need it. That's why I voted for the more sensible bill."